

Via Overnight Mail

September 24, 2010

Mr. Kyle Winter, PE
Regional Deputy Director
Virginia Department of Environmental Quality
Piedmont Regional Office
4949-A Cox Road
Glen Allen, Virginia 23060

Subject: Cypress Creek Power Station – Withdrawal of PSD Air Permit Application
Registration No. 52272

Dear Mr. Winter,

Old Dominion Electric Cooperative (ODEC) submitted a Prevention of Significant Deterioration (PSD) air permit application for the proposed 1,500 MW coal-fired Cypress Creek Power Station (CCPS) on December 17, 2008. As announced on September 8, ODEC is extending the timeline for securing the necessary air permits for construction and operation of the CCPS by 18 to 24 months. ODEC's decision is based in part on the slower than expected growth in the economy which has resulted in slower than expected growth in the demand for electricity, and the uncertainty in environmental policy impacts on the electric generation industry, such as the fate of the proposed federal "Cap and Trade" legislation and proposed and promulgated U.S. Environmental Protection Agency regulations affecting electric generation facilities.

With the extension of time in the CCPS air permitting schedule and at the request of the Virginia Department of Environmental Quality (VDEQ), ODEC is withdrawing its PSD air permit application for the CCPS.

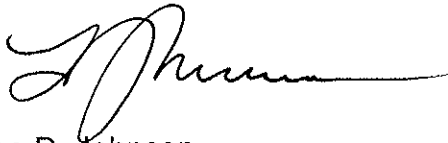
Withdrawal of the CCPS air permit application does not reflect a change in ODEC's goal to provide a reliable source of affordable electricity for its member-owner consumers. Finding additional base load generation is a high priority, and ODEC will continue to take steps toward development of the CCPS. ODEC will monitor electrical demand,

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economic progress and regulatory impacts on the CCPS project and will re-apply for the necessary air permits at the appropriate time.

ODEC thanks the VDEQ for the considerable time and effort applied to this very important project. If you have any questions, feel free to contact Mr. David Smith at (804) 968-4045.

Sincerely,

A handwritten signature in black ink, appearing to read 'L. Johnson', with a long horizontal flourish extending to the right.

Lisa D. Johnson
Senior Vice President – Power Supply

cc: Ken Alexander
Michael Murphy, VDEQ (electronic copy)
Rob Feagins, VDEQ (electronic copy)
James Kyle, VDEQ (electronic copy)
Stanley Faggert, VDEQ (electronic copy)
Bruce Mullins, VDEQ (electronic copy)
Tamara Thompson, VDEQ (electronic copy)
Charles Turner, VDEQ (electronic copy)
Michael Kiss, VDEQ (electronic copy)